Opinion

Title

DG DEVCO – Impact assessment on the future relations between the European Union and the African, Caribbean and Pacific countries after 2020

(version of 4 May 2016)*

(A) Context

Relations between the EU and the ACP date from before 1975 when the first Lomé convention was agreed. The current EU ACP Partnership Agreement (CPA) was signed on 23 June 2000 and will expire on 29 February 2020. According to Article 95, negotiations between the Parties 'in order to examine what provisions shall subsequently govern their relations' are mandated to start 'eighteen months before the end of the total period of the Agreement', i.e. in August 2018 at the latest.

The CPA is built on shared principles and objectives grounded in a comprehensive partnership encompassing three pillars: (i) political cooperation, (ii) development cooperation, and (iii) economic and trade cooperation. It is a wide-ranging agreement that covers many policy areas under broadly defined pillars. It is mainly financed by the European Development Fund (EDF), an extra-budgetary multiannual fund composed of direct contributions from EU Member States, complemented in parts by the external financing instruments sourced from the EU budget. The agreement has a comprehensive scope, joint management arrangements and is legally binding.

The central objective of the CPA is 'reducing and eventually eradicating poverty consistent with the objectives of sustainable development and the gradual integration of the ACP countries into the world economy'. The CPA also aims at promoting and expediting the 'economic, cultural and social development of ACP States, with a view to contributing to peace and security and to promoting a stable and democratic political environment'.

(B) Overall opinion: NEGATIVE

The Board gives a negative opinion because the report contains shortcomings that need to be addressed, particularly with respect to the following issues:

1) The policy context should be clarified by putting the Cotonou agreement into a broader perspective, including its relation to other external policies and strategies of the EU. It should also better explain what are the main global trends and challenges that are affecting the priorities of the Union's external relations and its aid to development agenda in relation with the evolving realities in the increasingly heterogeneous group of ACP countries. On the basis of such considerations – and the

* Note that this opinion concerns a draft impact assessment report which may differ from the one adopted.

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results of the evaluation - the problem description should be made more precise, addressing more directly the issues related to the EU's relationship with the ACP countries and the functionality and functioning of the Cotonou agreement.

2) The intervention logic of the report should be substantially improved by ensuring a consistent and logical structure between problem definition, objectives and options.

3) If the impact assessment aims to support a negotiation mandate, it should more clearly analyse the key policy choices to be considered by decision-makers. Firstly, the report should assess whether the partnership should be continued in its present form or not. Secondly, if not, the report should more clearly assess the implications of the different options (including the absence of any ACP-specific partnership or the establishment of new partnership arrangement(s)), address the Commission priorities in the negotiations and assess the cost and benefits relating to those priorities.

Once revised, the IA must be resubmitted to the Board, which will issue a new opinion on the revised draft.

(C) Main recommendations for improvements

(1) Policy context. The report should more clearly place the Cotonou agreement in the global context and as one of the building blocks of the external policy of EU. It should spell out the global trends and challenges that are affecting the ACP countries and the EU – and are therefore relevant for their future relationship, and elaborate on how they have developed since the signature of the current agreement. The report should make clear from the outset which political decision the impact assessment is intended to inform and whether it covers part or the whole of the negotiation mandate.

(2) Intervention logic. A logical and consistent structure should be developed throughout the report, clearly linking the problem definition with the objectives and options. The objectives should flow from the EU's priorities and interests and the problems identified, and should be matched by relevant policy options addressing those objectives in order to create a clearer intervention logic.

(3) The problem. The problem description should be improved. Firstly, it should focus on the general problems that the partnership is intending to solve, on how global trends and challenges have evolved over time and affected the relationship, and on the extent to which the agreement has been effective and efficient in solving those problems. Secondly, it should address the main functionality problems with the current partnership that the evaluation has revealed and draw lessons for the future on that basis. This should result in a more focused set of problems and challenges, which a renewed relationship should address. The baseline of a continuing, unchanged Cotonou agreement should be spelled out better and projected into the future to create a real scenario against which options can be assessed.

(4) The objectives. The objectives section should focus on how a future relationship with the ACP countries should contribute to the priorities of the European Union. The objectives should flow from the EU's external policy objectives, its aid to development agenda and its values and interests, as well as from the problems identified in the problem description.

(5) The policy options. The basic policy options should be redefined to cover a continued but unchanged partnership (the baseline), a discontinued partnership and a renewed partnership. Under the renewed partnership a range of sub-options can be considered reflecting the functionality of a renewed approach such as on 1) regionalisation 2) a lighter
approach (pillar structure, joint institutions, etc.) and 3) associating further members, etc. The issues in the section on the “other aspects to consider” under impacts should be realistic and embedded in the design of the options.

(6) The impact analysis. The analysis should focus on assessing costs and benefits of the options. How the EU's priorities can best be delivered in the context of the continued relationship? How can the policy themes and values of EU best be fostered through such a relationship? If the renewed partnership is the preferred option, the assessment should address the Commission priorities for a renewed partnership taking account of the main problems raised in the evaluation and by stakeholders. The assessment should consider costs and benefits of regionalisation, clarifying what will be in the common chapeau and what will be subject to regionalised agreements and why. It should also address costs and benefits of a renewed partnership relating to a lighter structure (pillars, joint institutions, reducing bureaucracy) and on the benefits and costs of associating further members.

Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated in the final version of the impact assessment report.

(D) Procedure and presentation
The report will have to be thoroughly revised, to introduce a clearer intervention logic and more focused assessment of the most relevant policy choices relating to the foreseen negotiation mandate. There is scope for shortening, streamlining and to avoid repetitions.

(E) RSB scrutiny process
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